BEFORE THE PUBLIC UTILITIES COMMISSION OF THE **STATE OF CALIFORNIA** 04:59 PM

Southern California Edison Company's)
Application For Approval of Embedded Energy) Application 07-01-024
Efficiency Pilot Programs for 2007-2008	(Filed January 16, 2007)
Application of Pacific Gas and Electric Company)
Seeking Approval of Water-Embedded Energy) Application 07-01-026
Savings Pilot Program (U 39 M)	(Filed January 16, 2007)
San Diego Gas & Electric Company (U 902-E))
for Approval of Energy & Water Efficiency) Application 07-01-029
Partnership and Budget for Years 2007 Through) (Filed January 16, 2007)
2008.	_)
Southern California Gas Company (U-904-G) for)
Approval of Energy & Water Efficiency) Application 07-01-030
Partnership and Budget for Years 2007 Through	(Filed January 16, 2007)
2008.	_)

REPLY COMMENTS OF SOUTHERN CALIFORNIA EDISON (U 338-E) ON **PROPOSED DECISION**

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Dated: December 10, 2007

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southern California Edison Company's)
Application For Approval of Embedded Energy) Application 07-01-024
Efficiency Pilot Programs for 2007-2008	(Filed January 16, 2007)
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REPLY COMMENTS OF SOUTHERN CALIFORNIA EDISON ON PROPOSED <u>DECISION</u>

I.

Pursuant to Rule 14.3 of the Commission's Rules of Practice and Procedure, Southern California Edison Company ("SCE") hereby submits these reply comments to the comments of The Utility Reform Network ("TURN"), The Natural Resources Defense Council ("NRDC"), California Water Association ("CWA"), San Diego Gas & Electric ("SDG&E"), Southern California Gas Company ("SoCalGas"), and Pacific Gas & Electric (PG&E) on the Draft Order Approving Pilot Water Conservation Programs within the Energy Utilities Energy Efficiency Programs ("Proposed Decision") issued November 15, 2007.

SCE believes it to be inappropriate to create \$4 million in new partnerships as proposed by CWA in their Opening Comments. The Commission reduced pilot program budgets because of non-cost effectiveness and should not unnecessarily expand them at this time. Furthermore, the proposal is not procedurally appropriate during the comment period.

For the multiple reasons cited by NRDC, SCE regards NRDC's proposal to establish a stakeholder advisory group for the evaluation and other studies to be an effective alternative to SCE's and the other utilities' proposal that a revised plan be reviewed in a workshop and written comments. Indeed, such a group, in combination with SCE's recommendation that Energy Division retain a master evaluation contractor to assist with development of the final research plans, may be a superior approach to SCE's original recommendation. SCE also shares NRDC's encouragement to develop the water-energy calculator further. See NRDC Comments at pp. 3-4.

SDG&E, SCG and PG&E request flexibility in the allocation of their process evaluation budgets and also request that funding be restored to 2% of the total pilot cost, rather than limited to 2% of the individual program costs.² SCE supports these requests for process evaluation budget changes.

SCE also joins PG&E³ in seeking flexibility in rolling out the programs and requests that the final decision allow the IOU's to implement programs any time after January 1, 2008, but no later than the third quarter of 2008.

Finally, TURN, SoCalGas and SCE⁴ jointly request that the LACSD Water Conservation program include a three-way partnership as proposed by the utilities in SCE's and SoCalGas' Amended Supplemental Testimony on July 11, 2007.

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¹ CWA Comments, p.3.

SDG&E Comments, p. 5; SCG Comments, p.8; PG&E Comments, p.4.

PG&E Comments, p. 2.;

⁴ TURN Comments, p.4.; SCG Comments, p.5.

Amended Supplemental Testimony of Southern California Edison Company Supporting Application for Approval of Embedded Energy Efficiency Water Pilot Programs for 2007-2008, dated July 11, 2007, p. 16; Supplement 2 to Prepared Supplemental Testimony of Mark F. Gaines, dated July 11, 2007, p. 4.

SCE appreciates the efforts of ALJ Weissman, the Commission and Energy Division throughout this proceeding. Taking into account SCE's opening comments and this reply, SCE supports the Proposed Decision and recommends that the Commission adopt the Proposed Decision.

Respectfully submitted,

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/s/ LARRY R. COPE

By: Larry R. Cope

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December 10, 2007

CERTIFICATE OF SERVICE

I hereby certify that, pursuant to the Commission's Rules of Practice and Procedure, I have this day served a true copy of **REPLY COMMENTS OF SOUTHERN CALIFORNIA EDISON ON PROPOSED DECISION** on all parties identified on the attached service list(s). Service was effected by one or more means indicated below:

Transmitting the copies via e-mail to all parties who have provided an e-mail address. First class mail will be used if electronic service cannot be effectuated.

Executed this 10th day of December, 2007, at Rosemead, California.

/s/ JENNIFER ALDERETE

Jennifer Alderete Project Analyst SOUTHERN CALIFORNIA EDISON COMPANY

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